

MINUTES
STUDY SESSION OF THE CITY COUNCIL
CITY OF MONTEREY
WEDNESDAY, May 27, 2009
4:00 – 7:00 P.M.
COUNCIL CHAMBER, FEW MEMORIAL HALL
MONTEREY, CALIFORNIA

CALL TO ORDER:

Mayor Della Sala called the meeting to order at 4:00 p.m.

Council Members

Present: Councilmembers Downey, Haferman, Selfridge, Sollecito, Mayor Della Sala

Absent: None

City Staff:

Present: City Manager, City Attorney, Assistant City Manager, Deputy City Manager Plans & Public Works, Finance Director, Fire Chief, Human Resources Director, Information Resources Director/City Clerk, Library Director, Police Chief, Public Facilities Director, Recreation and Community Services Director, Senior Assistant City Clerk

PUBLIC COMMENTS

Mayor Della Sala opened the floor for Public Comments on items not on the agenda and seeing no requests to speak Mayor Della Sala closed Public Comments.

STUDY SESSION

1. Presentation of Operating Budget for FY 2009-10 (Finance 406-03)
Action: Report received and discussed; public comment taken

City Manager Meurer introduced the item, stressing that tonight's budget presentation was a collaborative effort based on input from the public and staff. Mr. Meurer stated the proposed budget supports City core values and continues to provide numerous services. Mr. Meurer indicated staff's goal is to create a sustainable budget for the long term. Mr. Meurer indicated that he envisions any increase in future revenues be earmarked for reinvesting in infrastructure, citing maintenance of buildings, streets, storm drains, and sewers as potential areas for investment.

Finance Director Rhoads presented the staff report and provided an overview of the challenges that created the budget deficit, citing a severe economic downturn that significantly reduced City revenues. Mr. Rhoads provided the Council with projections depicting how the deficit is expected to grow unless the City develops a plan to balance the budget. City Manager Meurer stated that should the Council take no action, the current deficit could exhaust economic uncertainty funds and that that is why he recommends a budget reduction plan. Mr. Rhoads reviewed with Council balances in other reserve funds and described some of the limitations on use of these funds. Mr. Rhoads presented proposed reductions listed by department and responded to Council questions on the plan. Mr. Rhoads closed by detailing potential funding sources for balancing the budget for FY 2009-2010 and stating that once the 2009-2010 budget is approved, work must begin on the out year budget to ensure it is balanced as well.

Mayor Della Sala opened the floor for public comment. Library Board Chair Reneker asked the Council to lessen the budget reduction measures within the Library by \$277,000 and speaking as a private citizen requested the Council to increase fees at the Monterey Sports Center to alleviate reductions in that facility while still providing fee reductions for some users as necessary. Clyde Roberson spoke in favor using \$150,000 of NIP funds for the Sports Center and \$278,000 NIP funds for the Library to avoid service reductions they are, stating the NIP Committee is interested in supporting these two facilities. Mr. Roberson asked the Council to take a look at special funds and determine which ones Council can use to help with the budget reduction plan. John Sanders, James Bryant, Gerry Low Sabado, and Patricia Allen spoke in support of maintaining the California History Room and other library services. Nelson Vega asked the Council to use salary reductions as a way to balance the budget. Seeing no further requests to speak, Mayor Della Sala closed public comment.

COUNCIL COMMENTS

Councilmember Downey expressed a preference for maintaining the California History Room, youth services at the Library, Wharf marketing and a pared down version of 4th of July celebrations. Councilmember Downey stated she would like to review in greater depth the City's special funds as recommended by Mr. Roberson.

Councilmember Selfridge stated she concurred with many of Councilmember Downey's statements and asked how many hours Colton Hall Museum would be closed in this plan.

Councilmember Haferman stated he thinks special funds can be used and supports using NIP funds to help avoid service reductions at the Library and Sports Center. Councilmember Haferman thanked Director Rhoads for the presentation and requested it be posted on the City's web site. Councilmember Haferman asked why the number of City employees has grown over the last few decades while the population of Monterey has remained fairly constant.

Councilmember Sollecito stated in response to Councilmember Haferman's question, that the City now does more and does a much better job than it did in the past, indicating that these service levels have become the expectation.

Councilmember Selfridge stated a group is currently pursuing an endowment for the Sports Center and the Library.

Councilmember Downey stated in response to Councilmember Haferman's question that a lot of employees were added when the Sports Center was built. Councilmember Downey suggested including in the plan a reduction in the number of members on all boards, committees, and commissions, stressing that the Council is composed of 5 members and that City boards, committees, and commission should be able to operate with only 5 members as well.

CITY MANAGER REPORTS

In response to Councilmember Haferman's question, City Manager Meurer stated that as City revenues grew the City's expectations grew as well. He stated that many dreams of past Councils were realized and that these required additional staffing. Mr. Meurer cited the Sports Center, Recreational Trail, Senior Center, fully expanded Hilltop Center, San Carlos beach and NIP as ideas that have dramatically expanded what the City does for this community and that required additional staffing. Deputy City Manager Plans and Public Works Reichmuth noted that in addition to these projects there are around 88 unfunded mandates from both the State and Federal government that were levied onto the City, but came with no money attached to them that require staff for accomplishment.

Mayor Della Sala adjourned the meeting to a closed session at 6:50 p.m.

CLOSED SESSION

- 2. Conference with Labor Negotiator Pursuant to Government Code Section 54957.6 –
Agency Negotiators: Fred Cohn, Ralph Bailey, Mike McCarthy, Kim Bui-Burton, Tim Shelby
- Employee Organizations: GEM, MEA, MPA, PLMA (Human Resources 507-01)
Action: On a unanimous roll call vote gave confidential direction to negotiators (5-0)

ANNOUNCEMENTS FROM CLOSED SESSION

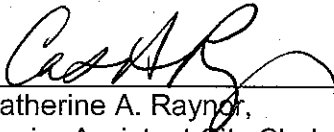
Information Resources Director/City Clerk Gawf made the announcements as noted above.

ADJOURNMENT

There being no further business to come before the City Council, Mayor Della Sala adjourned the meeting at 7:15 p.m.

Respectfully Submitted,

Approved,



Catherine A. Raynor,
Senior Assistant City Clerk



Chuck Della Sala
Mayor